

CS FOR HOUSE JOINT RESOLUTION NO. 12(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered: 3/12/21

Referred: Rules

Sponsor(s): REPRESENTATIVES RAUSCHER, Patkotak, McKay, McCabe, Cronk, Shaw, Johnson, Thompson, Nelson, Carpenter, Merrick, Gillham, Rasmussen, Tilton, Vance, Prax, Kaufman, McCarty, Kurka, LeBon, Eastman, Josephson, Schrage, Tuck

SENATORS Revak, Costello, Hughes, Reinbold, Bishop, Holland, Stedman, Micciche

A RESOLUTION

1 **Urging the United States Department of the Interior, Bureau of Land Management, to**
2 **honor the recent lease sales and proceed with permitting in the Arctic National Wildlife**
3 **Refuge; urging the President of the United States to defend the 2020 Record of Decision**
4 **approving the Coastal Plain Oil and Gas Leasing Program in the Arctic National**
5 **Wildlife Refuge; opposing designation of the Arctic National Wildlife Refuge as a**
6 **National Monument; and urging the Alaska delegation in Congress to uphold sec. 20001**
7 **of the Tax Cuts and Jobs Act of 2017.**

8 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

9 **WHEREAS**, in 16 U.S.C. 3143 (sec. 1003 of the Alaska National Interest Lands
10 Conservation Act), the United States Congress reserved the right to permit oil and gas
11 development and production in the coastal plain of the Arctic National Wildlife Refuge; and

12 **WHEREAS**, in 16 U.S.C. 3142 (sec. 1002 of the Alaska National Interest Lands
13 Conservation Act), the United States Congress authorized nondrilling exploratory activity in
14 the coastal plain of the Arctic National Wildlife Refuge; and

1 **WHEREAS** sec. 20001 of the Tax Cuts and Jobs Act of 2017 (P.L. 115-97) requires
2 the United States Secretary of the Interior to establish and administer a competitive oil and
3 gas program for the leasing, development, and production of oil and gas in and the
4 transportation of oil and gas from the coastal plain of the Arctic National Wildlife Refuge;
5 and

6 **WHEREAS** sec. 20001 of the Tax Cuts and Jobs Act of 2017 (P.L. 115-97) requires
7 that at least two lease sales be held by December 22, 2024, and that each sale offer for lease at
8 least 400,000 acres of land with the highest hydrocarbon potential in the coastal plain of the
9 Arctic National Wildlife Refuge, allowing for up to 2,000 acres of federal land, equivalent to
10 .01 percent of the 19,000,000-acre refuge, to be covered by production and support facilities;
11 and

12 **WHEREAS** the 1,500,000-acre 1002 study area of the coastal plain of the Arctic
13 National Wildlife Refuge makes up less than eight percent of the 19,000,000-acre refuge, and
14 development of the oil and gas reserves in the coastal plain of the refuge would affect a
15 limited area, as defined by the United States Congress; and

16 **WHEREAS** 8,900,000 acres of the 19,000,000-acre Arctic National Wildlife Refuge
17 have already been set aside as wilderness; and

18 **WHEREAS** the coastal plain of the Arctic National Wildlife Refuge contains an
19 estimated 7,687,000,000 barrels of recoverable oil and 7,000,000,000,000 cubic feet of
20 natural gas; and

21 **WHEREAS** the exploration, development, and production of oil and gas in the coastal
22 plain of the Arctic National Wildlife Refuge is predicted to generate 1,430 direct jobs and
23 6,350 indirect jobs annually and 2,480 direct jobs and 10,100 indirect jobs at peak
24 employment; and

25 **WHEREAS** the 1002 study area is part of the coastal plain of the Arctic National
26 Wildlife Refuge located within the North Slope Borough, and many of the residents of the
27 North Slope Borough, who are predominantly Inupiat, are supportive of development in the
28 1002 study area; and

29 **WHEREAS** proponents of anthropogenically driven climate change point to the
30 burning of oil and gas as causing increased greenhouse gas emissions; however, the
31 exploration and extraction of oil and gas has not been shown to contribute significantly to

1 increased greenhouse gas emissions; and

2 **WHEREAS** oil and gas exploration and development in the coastal plain of the Arctic
3 National Wildlife Refuge and adjacent land could result in major discoveries that would
4 reduce our nation's dependency on oil produced by hostile foreign nations, help balance the
5 nation's trade deficit, and significantly increase the nation's security; and

6 **WHEREAS** additional natural gas production from the North Slope of Alaska,
7 including the significant gas reserves expected to be found in the Arctic National Wildlife
8 Refuge, would enhance the energy independence of the state and the nation in the future; and

9 **WHEREAS** natural gas production from the North Slope of Alaska would enhance
10 the economic viability of the proposed liquefied natural gas project; and

11 **WHEREAS** development of oil at Prudhoe Bay, Kuparuk, Endicott, Lisburne, and
12 Milne Point has resulted in the creation of thousands of jobs throughout the United States, and
13 projected job creation as a result of oil development in the coastal plain of the Arctic National
14 Wildlife Refuge would have a positive effect in all 50 states; and

15 **WHEREAS** support for development of the coastal plain of the Arctic National
16 Wildlife Refuge by many state residents is predicated on the maximum employment of the in-
17 state workforce during all phases of development and operation; and

18 **WHEREAS**, at Prudhoe Bay and other locations along the coastal plain of the Arctic
19 National Wildlife Refuge, the oil industry has demonstrated that it can conduct oil and gas
20 activity without adversely affecting the environment or wildlife populations; and

21 **WHEREAS** the state will continue to strive to ensure the ongoing health and
22 productivity of the Porcupine and Central Arctic caribou herds and the protection of land,
23 water, and wildlife resources during the exploration and development of the coastal plain of
24 the Arctic National Wildlife Refuge; and

25 **WHEREAS** the Bureau of Land Management's 2020 Coastal Plain Oil and Gas
26 Leasing Program Record of Decision was developed after extensive outreach and consultation
27 with residents of local communities, including residents of Kaktovik, the only Alaska Native
28 community in the Coastal Plain; and

29 **WHEREAS** the Alaska Native community of Kaktovik received ownership of 92,000
30 acres of private land within the Coastal Plain as settlement of their aboriginal land claims
31 under the Alaska Native Claims Settlement Act of 1971 (ANCSA); and

1 **WHEREAS** the United States Congress intended the shareholders of ANCSA
2 corporations, rather than the federal government, to have direct control over the development
3 of the corporations' land and resources for the long-term economic benefit of the Alaska
4 Native shareholders; and

5 **WHEREAS** the residents of Kaktovik recognized in ANCSA have been unable to
6 develop their land in the Coastal Plain because of restrictions in the Alaska National Interest
7 Lands Conservation Act; and

8 **WHEREAS** the North Slope Borough, representing the residents of the North Slope,
9 including the Alaska Native residents of the Coastal Plain and the larger North Slope area,
10 fully participated in the public process conducted by the Bureau of Land Management in the
11 course of developing the 2020 Coastal Plain Oil and Gas Leasing Program Record of
12 Decision and supports the decision; and

13 **WHEREAS** the oil and gas industry has developed directional drilling technology that
14 would allow horizontal drilling within the Arctic National Wildlife Refuge, responsibly
15 minimizing the impact area of development and offering a possibility of using directional
16 drilling to access oil from outside of the boundaries of the 1002 study area; and

17 **WHEREAS** the oil and gas industry is using innovative technology and
18 environmental practices in new oilfield developments, and those techniques are directly
19 applicable to operating on the coastal plain of the Arctic National Wildlife Refuge and would
20 further enhance the already high standards for environmental protection in the industry; and

21 **WHEREAS** the economic prosperity of the state depends on the availability of
22 reliable and affordable energy; and

23 **WHEREAS** the state promotes the development of renewable and alternative energy
24 resources; and

25 **WHEREAS** the Alaska State Legislature has previously encouraged the use of
26 revenue from development in the Arctic National Wildlife Refuge for the development of
27 renewable and alternative energy resources in the state; and

28 **WHEREAS** the legislative findings and intent in sec. 1, ch. 10, SLA 2015, which
29 declares the Arctic policy of the state, states that "the continuing development of the state's
30 natural resources in an environmentally and socially responsible manner is essential to the
31 development of the state's economy and to the well-being of the residents of the state"; and

1 **WHEREAS** the Arctic policy of the state, codified as AS 44.99.105, states "It is the
 2 policy of the state, as it relates to the Arctic, to uphold the state's commitment to economically
 3 vibrant communities sustained by development activities consistent with the state's
 4 responsibility for a healthy environment"; and

5 **WHEREAS** oil and gas development in the coastal plain of the Arctic National
 6 Wildlife Refuge has the potential to extend the life of the Trans Alaska Pipeline System and
 7 increase throughput, which has declined significantly since the peak of 2,033,000 average
 8 barrels of oil a day in 1988; and

9 **WHEREAS** the decline in oil prices and in Trans Alaska Pipeline System throughput
 10 has significantly reduced the revenue available to fund state government, depleted state
 11 savings reserves, and increased pressure on lawmakers to reduce permanent fund dividend
 12 payments to fund constitutionally mandated government services; and

13 **WHEREAS** development of oil and gas resources directly supports access to essential
 14 public services and enables local economic and community development projects in rural and
 15 underserved communities across the state;

16 **BE IT RESOLVED** that the Alaska State Legislature urges the United States
 17 Department of the Interior, Bureau of Land Management, to honor the recent lease sales in the
 18 Arctic National Wildlife Refuge; and be it

19 **FURTHER RESOLVED** that the Alaska State Legislature requests that the United
 20 States Department of the Interior, Bureau of Land Management, in considering the
 21 adjudication of the exploration and development permitting process, take into account the
 22 long history of safe and responsible oil and gas development on the North Slope of Alaska,
 23 the enormous benefits development of oil and gas resources in the coastal plain of the Arctic
 24 National Wildlife Refuge would bring to the state and the nation, the advances in oilfield
 25 technology that continue to shrink the impact area of oil and gas activities, and the support of
 26 residents from the North Slope Borough and across the North Slope of Alaska for oil and gas
 27 development in a portion of the coastal plain; and be it

28 **FURTHER RESOLVED** that the Alaska State Legislature requests that President
 29 Biden's administration defend, in the public sphere and in court, the 2020 Record of Decision
 30 issued by the Bureau of Land Management that approves the Coastal Plain Oil and Gas
 31 Leasing Program in the Arctic National Wildlife Refuge; and be it

1 **FURTHER RESOLVED** that the Alaska State Legislature requests that President
 2 Biden and the Department of the Interior move forward with the permitting process in good
 3 faith with leaseholders in the Arctic National Wildlife Refuge; and be it

4 **FURTHER RESOLVED** that the Alaska State Legislature urges President Biden to
 5 immediately rescind the provisions of Executive Order 13990, pertaining to the Arctic
 6 National Wildlife Refuge, to faithfully implement the law and the final agency actions of the
 7 Department of the Interior and the Bureau of Land Management, and to respectfully listen to
 8 the state, the North Slope Borough, and the residents of the Alaska Native communities of the
 9 North Slope, including Kaktovik, before taking actions that affect those residents; and be it

10 **FURTHER RESOLVED** that the Alaska State Legislature urges President Biden to
 11 take an approach of consultation and engagement on all decisions affecting the state, local
 12 communities, Alaska Native tribes and entities, and individual residents; and be it

13 **FURTHER RESOLVED** that the Alaska State Legislature opposes the designation of
 14 the Arctic National Wildlife Refuge as a National Monument by employing the Antiquities
 15 Act; and be it

16 **FURTHER RESOLVED** that the Alaska State Legislature requests that the Alaska
 17 delegation in Congress work to defeat any effort to alter or repeal sec. 20001 of the Tax Cuts
 18 and Jobs Act of 2017 (P.L. 115-97) if the result would adversely affect oil and gas
 19 development efforts in the Arctic National Wildlife Refuge.

20 **COPIES** of this resolution shall be sent to the Honorable Joseph R. Biden, President
 21 of the United States; the Honorable Kamala D. Harris, Vice President of the United States and
 22 President of the U.S. Senate; the Honorable Scott de la Vega, Acting United States Secretary
 23 of the Interior; the Deputy Director for Policy and Programs, Bureau of Land Management,
 24 U.S. Department of the Interior; the Coastal Plain Project Manager, Bureau of Land
 25 Management Alaska State Office, U.S. Department of the Interior; and the Honorable Lisa
 26 Murkowski and the Honorable Dan Sullivan, U.S. Senators, and the Honorable Don Young,
 27 U.S. Representative, members of the Alaska delegation in Congress.